GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:4672
ANSWERED ON:23.04.2002
COST OF INDIGENOUS UREA
RATNA SINGH

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the cost of indigenous urea is less than that of the imported urea;

(b) if so, the details thereof;

(c) the extent to which it would add to the manufacturing cost of urea in case the sick units of the country are made viable;

(d) whether the production of foodgrains is declining due to shortage of urea in the country; and

(e) if so, factual position in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI S. B. MOOKHERJEE)

(a) & (b): The production cost of indigenous urea varies from unit to unit depending upon the technology, feed stock used, vintage of the plant, distance from source of raw materials etc. The average production cost of urea in the country is currently higher than the international price. The reason for higher cost is mainly on account of higher feedstock/raw material cost in India.

(c): The manufacturing cost of urea in case sick units are made viable would depend on the technology to be adopted, type of feedstock to be used in the manufacture of urea.

(d): No, Sir. There is no shortage of urea in the country at present.

(e): Question does not arise.